



Chairman: David Vaught

Members: Ed Bedore, Ricardo Morales, Larry Ivory, Bill Black

May 8, 2013

Bill Grunloh
Chief Procurement Officer
Illinois Department of Transportation
Executive Ethics Commission
2300 S. Dirksen Pkwy
Room 200
Springfield, Illinois 62764

Re: 50-35 Potential Conflict of Interest, PTB 167, Item 22

Dear Mr. Bill Grunloh,

In accordance with the requirements of Section 50-35 of the Illinois Procurement Code, I have reviewed your request received May 7, 2013 and understand the facts to be as follows:

- 1) The Illinois Department of Transportation has issued a request for a review and comment on potential conflicts of interest disclosed by Hutchison Engineering, Inc.
- 2) The contract pertains to the contract for Phase III Engineering Services.
- 3) Hutchison Engineering, Inc was selected using QBS.
- 4) The disclosure form submitted on behalf of Hutchison Engineering, Inc indicates the following:
 - a. Gary L. Hutchison, an individual with an ownership interest or income above the statutory thresholds, has disclosed his son is employed by the Illinois Department of Human Services in a non-managerial position. Mr. Hutchison's son is a member of AFSCME and does not earn in excess of 60% of the Governor's salary.
 - b. Lenny Chaudoin, an individual with ownership interest or income above the statutory thresholds, has disclosed his step-daughter is employed by Healthcare and Family Services. Her title is Human Resource Representative; she is a member of AFSCME and does not earn a salary in excess of 60% of the Governor's salary.
 - c. James O. Hamilton has disclosed his son is employed by Healthcare and Family Services, Medical Administration, Office Associate; his son makes less than 60% of the Governor's salary.
- 5) The Illinois Department of Transportation confirmed that none of the disclosed individuals were in a position to influence the award of this contract. The Illinois Department of Transportation and CPO Bill Grunloh indicate that it would be in the best interest of the State to approve this conflict of interest due to the using agency's needs and the value of the contract.

Based on the foregoing, you are requesting my review and comment pursuant to the Illinois Procurement Code.

Review and Comment

After careful review of the documentation provided, I do not view the relationships disclosed above as creating a conflict of interest sufficient to preclude the Illinois Department of Transportation from entering into a contract with Hutchison Engineering, Inc for the services outlined in your letter received May 7, 2013.

Sincerely,

Aaron Carter
Executive Director

Cc: EEC General Counsel



CHIEF PROCUREMENT OFFICE

Bill Grunloh, Department of Transportation - Highway Construction

May 7, 2013

Procurement Policy Board
222 South College Street, Suite 231
Springfield, IL 62704

RE: Consultant Engineering Services for Hutchison Engineering, Inc., selected by the Consultant Selection Committee for PTB 167, Item 22

Dear Mr. Carter,

Included herewith is the potential conflict of interest form for the above mentioned consultant, selected by the Consultant Selection Committee with the Illinois Department of Transportation. This consultant selection was made via Qualification Based Selection pursuant to the evaluation procedure as provided for in 30 ILCS 535/30. The services expected of the consultant with respect to this selection include: Phase III engineering services are required for the construction inspections for the field inspection, supervision, construction layout, and material testing for the reconstruction of various rail/highway grade crossings and intersections in District 3. The various types of jobs are anticipated to consist of, but not limited to, grading, pavement reconstruction, traffic signals, railroad-related improvements, storm sewer, curb and gutter, concrete pavement, HMA pavement, and pavement markings in multiple construction contracts. Work orders under the blanket agreement will be negotiated and authorized by the department on as as-needed basis.

The Consultant will be asked to furnish a registered IL PE or an approved non-licensed engineering technician to act as Assistant Resident Engineer (ARE) or inspector on these projects. The Consultant will perform on-site inspection, provide construction staking/layout when not provided for in the contract plans, verify construction staking/layout, provide on-site geotechnical and material inspection, prepare records, maintain documentation, submit pay estimates, manage change order process, and any other duties required to complete this project in a timely basis and in accordance with State Specifications. The ARE must be knowledgeable in the use of the department's documentation tracking system (ICORS). The Consultant shall provide vehicles and equipment necessary to perform inspections.

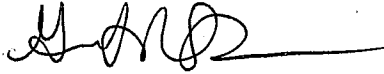
The amount of this agreement is estimated to be \$750,000. There is not an option for renewal by the Department. The consultant agreement shall begin upon execution and end 36 months after authorization to proceed is received. This consultant agreement is in the Department's interest in that it is required to have the consultant provide its services in tandem with the construction services provided by the contractor. The consultants provide services to the contractors throughout the projects.

Hutchison Engineering, Inc., has disclosed the following information concerning their partners: Gary L. Hutchison has disclosed his son is employed by the Illinois Department of Human Services in a non-managerial position. Mr. Hutchison's son is a member of AFSCME and does not make an income in excess of 60% of the Governor's salary. Lenny Chaudoin has disclosed his step-daughter is employed by the Illinois Department of Healthcare and Family Services. Her title is Human Resources Representative. Her work involves being a Personnel Liaison for the Bureau of Information Services. She is also a member of AFSCME. Mr. Chaudoin's daughter earns a salary less than \$60,000 annually, which is less than 60% of the Governor's salary. James O. Hamilton has disclosed his son is employed by the Illinois Department of Healthcare and Family Services, Medical Administration, Office Associate. His son makes less than 60% of the Governor's salary.

This conflict has been reviewed by our office, and it has been determined that this is not an actual conflict and will not interfere in the execution of this contract.

If you have any questions concerning this request, please contact Carrie Kowalski, Consultant Unit Chief, Consultant Services Unit, at 217-782-6916.

Sincerely,

A handwritten signature in black ink, appearing to read 'G. Tucka', followed by a horizontal line.

Gretchen Tucka,
State Purchasing Officer

Enclosures

STATE OF ILLINOIS
PROCUREMENT POLICY BOARD
CONFLICT OF INTEREST REVIEW
CHECKLIST

Please ensure that the following documents are included with your request:

- ☒ Cover letter with overview of the potential Conflict of Interest
- ☒ Conflict of Interest Review Request Form
- ☒ Copy of Proposed Contract*
- ☒ Any Prequalification Information Submitted by the Vendor
- ☒ Prior Procurement Policy Board/Office of the Governor Conflict of Interest Review Letter for this Vendor
- ☒ Copy of the Disclosure/Certification Documents Submitted by the Vendor

*may be the proposed contract sent in with a RFP response, a copy of the solicitation response, etc.

Please scan original documents** with signatures and email to:

aaron.carter@illinois.gov

cc: deanna.rossetto@illinois.gov

If you are unable to scan and email the original signed documents, please send to:

Procurement Policy Board
222 South College Street, Suite 231
Springfield, IL 62704

**If you scan and email the original documents, please do not send the original documents to our office. Please keep the documents in your procurement file.

CONFLICT OF INTEREST REVIEW REQUEST FORM

The following information must be filled in as accurately and completely as possible. This form will be sent to the Procurement Policy Board providing essential information needed to review and determine if an actual conflict of interest exists, which is sufficient to preclude the State from entering into the attached proposed contract pursuant to section 50-35(d) of the Illinois Procurement Code.

CONTRACTING AGENCY INFORMATION

Using Agency: Department of Transportation
Address: 2300 S. Dirksen Parkway City/State: Springfield, IL
Contact Person: Carrie Kowalski Title: Consultant Unit Chief
Phone: 217-782-6916 Fax: 217-524-9357
Email: carrie.kowalski@illinois.gov

VENDOR INFORMATION FOR VENDOR WITH POTENTIAL CONFLICT

This Vendor is: ☒ Prime Vendor ☐ Sub-contractor
Name of Vendor: Hutchison Engineering
Address: 1801 West Lafayette Avenue, P.O. Box 820 City/State: Jacksonville, IL 62650
Contact Person: Gary L. Hutchison Title: President
Phone: 217-245-7164 Fax: 217-243-0488
Email: ghutchison@hutchisoneng.com

Procurement Bulletin Reference Number: PTB 167-Tem 22 Date Posted to Bulletin: 2/7/2013

CONTRACT INFORMATION

Describe the need for this procurement or proposed contract: Phase III engineering services are required for the construction inspections for the field inspection, supervision, construction layout, and material testing for the reconstruction of various rail/highway grade crossings and intersections in District 3. The various types of jobs are anticipated to consist of, but not limited to, grading, pavement reconstruction, traffic signals, railroad-related improvements, storm sewer, curb and gutter, concrete pavement, HMA pavement, and pavement markings in multiple construction contracts. Work orders under the blanket agreement will be negotiated and authorized by the department on as as-needed basis.

Total Contract Amount (Estimate if actual is unknown): \$ 750,000.00

Contract Begin Date: Upon authorization to proceed is received. Contract End Date: 36 months after authorization is received.

Describe any Renewal Options (i.e. One 2-year Option): No renewal options

PROCUREMENT PROCESS

What was the method of procurement used to select this vendor? Qualifications Based Selection

If this vendor was selected using a competitive process, how many vendors responded to the bid? Not Applicable

Were any vendors disqualified? Not Applicable If yes, please explain why.

If a multiple award, how many vendors were awarded a contract? Not a multiple award

Were there any instances of low vendor rejections? Not Applicable If yes, please explain why.

EXPLANATION OF POTENTIAL CONFLICTS OF INTEREST

For each individual identified as causing a potential conflict of interest, include the following information: name, relationship (if applicable), Agency of State employment, start date, job title and responsibilities. Indicate if any of the named individuals earn more than \$106,447.20 and explain the potential conflict of interest.

Hutchison Engineering, Inc., has disclosed the following information concerning their partners: Gary L. Hutchison has disclosed his son is employed by the Illinois Department of Human Services in a non-managerial position. Mr. Hutchison's son is a member of AFSCME and does not make an income in excess of 60% of the Governor's salary. Lenny Chaudoin has disclosed his step-daughter is employed by Healthcare and Family Services. Her title is Human Resources Representative. Her work involves being a Personnel Liaison for the Bureau of Information Services at the Department of Health Care and Family Services. She is also a member of AFSCME. Mr. Chaudoin's daughter earns a salary less than \$60,000 annually, which is less than 60% of the Governor's salary. James O. Hamilton has disclosed his son is employed by Healthcare and Human Services, Medical Administration, Office Associate. His son makes less than 60% of the Governor's salary.

If a prime vendor, did they disclose their use of lobbyists? ☐ Yes ☒ No
If yes, did the lobbyists lobby on behalf of the vendor to secure this contract? ☐ Yes ☐ No

PROVIDE A WRITTEN STATEMENT SIGNED BY THE AGENCY REPRESENTATIVE FOR YOUR AGENCY STATING:

1. Is the conflict an actual conflict and whether or not any of the above named individual(s) were in a position to influence the State's award of this contract.

The above disclosures not actual conflicts. None of the above referenced individuals has any ability to interfere in the Qualifications Based Selections process.

2. Why is it in the best interest of the State to proceed with this contract.

The consultant services helps the Department maintain the State's roads and bridges for the safe passage of the motoring public.

AGENCY/UNIVERSITY REPRESENTATIVE SIGNATURE


Agency/University Representative Signature

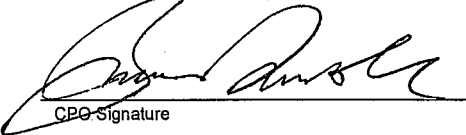
Carrie Kowalski
Agency/University Representative Printed Name

5/7/2013
Date

217.782.6916
Agency/University Representative Telephone

carrie.kowalski@illinois.gov
Agency/University Representative Email Address

CPO SIGNATURE REQUIRED


CPO Signature

Bill Grunloh
CPO Printed Name

5/7/2013
Date

217.558.5434
CPO Telephone Number

bill.grunloh@illinois.gov
CPO Email Address